

I move to use the state special revenue that is available due to application of the 23% enhanced federal match rate to the final FY 2015 legislative base appropriation and offset an equal amount of general fund state match cost in the final 2015 legislative base appropriation for Medicaid services for children eligible for Healthy Montana Kids.

Explanation:

1. The subcommittee adopted the legislative FY 2015 appropriation with adjustments as the base budget.
2. The subcommittee also adopted a motion to apply the 23% increase in the federal CHIP match rate to applicable costs in the FY 2015 base appropriation.
3. That action increased federal funds each year of the biennium and reduced state special revenue by a like amount (estimated to be \$17,402,846 million in FY 2016 and \$17,444,279 million in FY 2017).
4. That motion left an estimated \$34.8 million in state special revenue available for other allowable uses. HMK state special revenue constitutes the majority of the available revenue.
5. This motion directs that the available state special revenue be used in place of general fund state Medicaid for allowable HMK services.
6. The motion will result in a lowering general fund by \$34.8 million.

| Example of Implementation of Amendment               |              |               |         |        |
|--|--------------|---------------|---------|--------|
| Action/Program/Match                                 | General Fund | State Special | Federal | Total  |
| <i>Committee Action Already Taken</i>                |              |               |         |        |
| <u>CHIP</u>  |              |               |         |        |
| Regular CHIP Match                                   | \$0          | \$24          | \$76    | \$100  |
| Enhanced CHIP Match                                  | -            | 1             | 99      | 100    |
| Funding Change                                       | -            | (23)          | 23      | -      |
| <i>Proposed Action</i>                               |              |               |         |        |
| <u>Medicaid Services</u>                             |              |               |         |        |
| Current FY 2015 Base Appropriation Funding           | 35           | -             | 65      | 100    |
| Use State Special Revenue As Medicaid Match          | 12           | 23            | 65      | 100    |
| Funding Change                                       | (23)         | 23            | -       | -      |
| <i>Net Change in State Funding - Proposed Action</i> | (\$23)       | \$0           |         | (\$23) |

1970-1971

1971-1972

1972-1973